

DEMOCRATS FIGHT FOR AMERICA'S SMALL BUSINESSES

Democrats know that small business is big business in this country. They are the engine of America's economy, representing more than 95 percent of all employers, creating half of our gross domestic product, and creating three out of four of new jobs nationwide. Small business owners are leaders in innovation, creating new technology, new products, and more effective business operations. We believe that government should help small business owners achieve their goals - not stand in their way. That's why we want to make providing health care coverage for their employees more affordable, ensure that small businesses have the access to capital and technical assistance they need to thrive, open the \$285 billion federal marketplace, provide targeted tax relief, and support trade agreements that open markets for small businesses.

Lower costs and expand affordable health coverage for small businesses. Democrats are committed to expanding the options and controlling the skyrocketing costs of health coverage for small businesses. Two proposals would help small business owners provide health insurance to their employees. The Small Business Health Insurance Promotion Act, offered by Representative Max Sandlin (D-TX), would create a 50 percent tax credit to help small businesses with the cost of health coverage. The bill also creates state and national multi-insurer pools to provide comprehensive and affordable health insurance choices to small employers and the self-employed, regardless of whether they receive the credit. Rep. Ron Kind (D-WI) has introduced a similar bill that provides tax credits to small employers who participate in a pooling arrangement to provide quality coverage.

Ensure that small businesses have access to capital and technical assistance to start and expand their business. For small business owners, access to capital and technical assistance is access to opportunity. The Small Business Administration's loan and entrepreneurial development programs provide this critical assistance to our nation's entrepreneurs. Democrats will

comprehensive overhaul of the SBA that will strengthen and modernize the agency's diverse range of programs. In championing these initiatives, Democrats will ensure that entrepreneurs in every community across the country have the necessary capital, tools, and resources to start and expand their businesses.

Open the federal marketplace to small businesses. Democrats want to create a fair and open federal contracting system, making sure everyone has a fair shot at winning a federal contract in the \$285 billion federal marketplace. Democrats will work to end the practice of creating “mega contracts” that take opportunities away from small businesses at no savings to the taxpayer; increase the access of small business to federal contracts overseas; and institute a fair contracting appeals process for small businesses to be heard. As government contracts continue to grow, more small companies are pushed into the role of subcontractors - Democrats will work to add new protections for these companies. In addition, we will work to increase contracting opportunities for women, low-income individuals, and minorities by strengthening such key business development programs as 8(a). These actions will reduce current barriers and ensure small businesses have access to perform federal contracts.

Make federal regulations friendlier for small businesses. 250,000 pages of new regulations, notices, rulings and proposals have been published in the last four years. The GAO reports that Americans spend a staggering 720 million more hours per year filling out federal paperwork than they did three years ago. Federal paperwork and regulatory burdens are not only costly and time consuming, but they also put small businesses at a competitive disadvantage compared to their foreign and domestic competitors. Democrats want to ensure that small firms don't struggle with paperwork as they work to build their business. Democrats would work to ensure that agencies consider the impact of their policy decisions on small business, instead of ignoring requirements to reduce paperwork for small business, and help small business to comply with federal regulations. We would also take steps to strengthen and preserve the independence of the Office of Advocacy.

investments. We have also proposed a new jobs tax credit that would give businesses \$3,000 for every job created in the next two years by American manufacturers, small businesses, and other industries affected by outsourcing. Small businesses would also benefit from the Rangel-Manzullo-Levin bill to provide a tax cut to domestic manufacturers. Under this proposal, companies with 100 percent domestic production, including all small manufacturers, would see their tax rate reduced by 10 percent - or up to 3.5 percentage points. Further, Democrats support investing in the highly successful Manufacturing Extension Partnership (MEP) Program, which offers services to help small U.S. manufacturers stay competitive. These measures are important to keeping jobs here at home, and helping American small business prosper.

Open new markets for small businesses. Democrats are committed to pursuing fair trade strategies that open markets; ensuring a level playing field for American workers and businesses; and strengthening critical domestic industries, such as our manufacturing, intellectual property, and technology sectors. We would also enforce existing trade obligations by pursuing well-documented cases in the WTO, and press China and Japan to end currency manipulation, which makes it harder for U.S. companies to stay competitive. Democrats will also invest in federal initiatives that provide technical assistance and necessary tools to small businesses that wish to break into new markets and sell their products abroad.